



**PROOF OF
COMPLIANCE WITH
COVENANTS IN
LEASE RESERVING
NOMINAL GROUND
RENT**

Section 3(4) and (5) of the Conveyancing Act 1881 provides that production of the receipt for the last gale of ground rent shall be prima facie evidence of compliance by the lessee with the covenants and conditions in a lease.

A great many leases were created of new houses, which leases reserved nominal ground rents, particularly during the six years up to the introduction of Landlord & Tenant (Ground Rents) No. 1 Act 1978, which prohibited the creation of further leases of new houses.

It is normal conveyancing practice for vendors' solicitors to satisfy purchasers' and mortgagees' solicitors of the compliance with the covenants and conditions of the lease by furnishing the last receipt for ground rent. Because the nominal rents were not demanded or collected, this has become increasingly difficult. Many lessor companies are hard to contact and slow to reply to correspondence. The Joint Committee wishes to remind practitioners that it was also standard conveyancing practice to accept a Declaration of Compliance as an alternative in cases where a nominal rent was concerned. A Declaration on the general lines of the following should, in the opinion of the Joint Committee, be a perfectly acceptable alternative to the production of the last receipt for ground rent.

Specimen Declaration

I, of in the City aged 21 years and upwards do solemnly and sincerely declare as follows:

I am the present owner of the lessees' interest in the Lease (hereinafter called "the Lease") dated the day of 19 and made between A B of the one part and C D of the other part and which said Lease relates to property in the County of (being the entire lands comprised in Folio County).

I say that since the date of acquisition by me of the lessee's interest in the Lease no demand for the Ground Rent reserved by the Lease has been received by me and no notices have been served on me by the Lessor. I further say that I have complied with all of the covenants and conditions contained in the Lease and I am not aware of any breaches thereof either by myself or by any previous owner of the lessee's interest under the Lease.

I make this solemn Declaration conscientiously believing the same to be true, for the satisfaction of who have agreed to purchase the property comprised in the Lease and by virtue of the Statutory Declarations Act 1938.

DECLARED etc.

NOTE Practitioners are reminded that such a declaration is prima facie evidence only as, of course, is the evidence provided by the last receipt.